

LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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DATE: JANUARY 12, 2004

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #7: LAFCO SC#216 – Irrevocable Agreement to Annex No. 03-00011, City of Fontana for Sewer Service

SUBMITTED BY:

City of Fontana on behalf of the property owner

RECOMMENDATION:

- 1) For environmental review, take the following actions as a responsible agency:
 - a. Certify the Commission has reviewed and considered the environmental assessment and Negative Declaration with mitigation measures prepared by the County of San Bernardino for the Conditional Use Permit to establish an industrial building to be used as a warehouse and distribution facility not exceed 529,000 square feet on 26.6 +/- acres; and found them to be adequate for Commission use;
 - b. Determine that the Commission does not intend to adopt alternatives for this project, that all mitigation measures are the responsibility of the County of San Bernardino, not the Commission, and are self-mitigating through implementation of the adopted Conditions of Approval for the project; and,
 - c. Direct the Clerk to file the Notice of Determination within five working days.

- 2) Approve SC#216 authorizing the City of Fontana to extend sewer services outside its boundaries to Assessor Parcel Number 0234-011-12 (9950 Calabash Avenue); and,
- 3) Adopt LAFCO Resolution #2800 setting forth the Commission's findings, determinations and approval of the agreement for service outside the City of Fontana's boundaries.

BACKGROUND:

The City of Fontana has submitted a request for approval of an out-of-agency service agreement that outlines the terms by which it will extend sewer service. The agreement relates to the parcel generally located between Calabash and Mulberry Avenues, approximately 400 feet north of Valley Blvd., and approximately 900 feet south of San Bernardino Avenue. This parcel is within the central portion of the City of Fontana sphere of influence. Attachment #1 provides a location and vicinity map of the site.

The City, on behalf of the property owner, has requested that the Commission review and approve the extension of service pursuant to the provisions of Government Code Section 56133. The current use on the parcel, APN #0234-011-12, is vacant land. However, the landowner, through approval of the Conditional Use Permit, proposes the development of an industrial building to be used as a warehouse and distribution facility (not to exceed 529,000 square feet) and an office space estimated at 24,960 square feet on the 26.6 acre parcel.

The County of San Bernardino Land Use Services Department has processed the approval of the Conditional Use Permit. The Conditions of Approval placed upon this project include the requirement for connection to the City of Fontana sewer system if available (Conditions No. 49, 50, and 68). The City of Fontana is in the process of pre-zoning this area through adoption of its updated General Plan. The land use designation by the City in its 1995 General Plan Update assigns the area a designation of I-SP (Industrial Specific Plan), which would allow for the industrial warehouse/manufacturing use anticipated by the County's land use approvals.

The City's application indicates that to provide the requested service, it proposes that an 8-inch sewer line will be extended northerly in Calabash Avenue from the City's 18-inch sewer main in Valley Blvd. LAFCO staff in consultation with City staff estimates that this line will be extended in the

range of 1,600 +/- feet and will front additional parcels on its route. LAFCO staff has requested, and the City has provided, an outline of its policies related to reciprocity payments should other parcels connect to this mainline. The City has noted that parcels connecting to this facility within one year of its construction will provide for payment to the original developer for their pro-rata share of the extension cost. Beyond the one year window, there are no reimbursement payments for this line extension.

Pursuant to the Commission's service contract application requirements, information is to be provided regarding all financial obligations for the extension of services outside an agency's boundaries. Accordingly, the City has supplied LAFCO staff with the financial information that relates to the extension of service to this parcel. The City's standard for calculation of charges is based upon equivalent dwelling units. However, for a proposed industrial development, this factor is determined by the number of plumbing fixtures multiplied by the City's sewage generation factor. In this case, that would represent 4.8906 EDUs (66 x 0.0741). The calculation of the charges based upon EDUs is:

Sanitary Sewage Facilities Expansion Fees (Paid to Inland Empire Utilities Agency)	\$3,840 X 4.8906 EDUs	\$18,779.90
Sewer Connection Charge	\$770 x 4.8906 EDUs	\$3,765.76
Sewer Deposit	4 x 4.8906 EDUs x \$34.06 (monthly sewer rate) x 1.5 (premium rate outside city boundary)	\$999.44
Sewer Permit	1 permit x \$25	\$25.00
TOTAL		\$23,570.10

The occupants of the industrial/warehouse development will be charged a monthly rate of \$51.09 for sewer service (a premium rate representing 1 ½ times the in-city rate of \$34.06).

Authorization of this agreement by the Commission is required before the City of Fontana can take the final actions to implement the terms of the agreement allowing the development project to proceed. In order to proceed, the property

owner must show proof of its ability to connect to the City of Fontana sewer infrastructure (County Conditions of Approval, Item #50).

Staff has reviewed this application against the criteria established by Commission policy and Government Code Section 56133. The staff supports the City's request to provide sewer service by contract to the parcel since its facilities can be extended to the anticipated development. In making its determinations, the Commission will need to find that the contract complies with the provisions of this code section and with the standards adopted by the Commission for implementing these provisions.

FINDINGS:

1. The area is within the sphere of influence assigned the City of Fontana. The parcel will receive its water service from the Fontana Water Company and the application requests the receipt of City of Fontana sewer service to the proposed industrial development.
2. The Commission's authorization for serving the parcel outside the City's boundaries is considered to be perpetual (until such time as the area is annexed).
3. The service contract to be considered is for the ultimate provision of sewer service by the City of Fontana. This contract will fulfill the requirements of the County, as identified in its Land Use Approval dated December 19, 2003, for development of the industrial warehouse/manufacturing building. The authorization of the contract will allow the City and property owner to finalize the agreement so that the CUP for the parcel can be finalized through the County.
4. In December 2003, acting as the CEQA lead agency, the County prepared an environmental assessment for the Conditional Use Permit to establish a 529,000 square foot industrial warehouse and distribution facility/office building on 26.6 acres located on the west side of Calabash Avenue, approximately 400 feet north of Valley Blvd. This decision indicates that the project would not have a significant effect upon the environment through its development under the Conditions of Approval imposed by the County of San Bernardino.

LAFCO Environmental Consultant, Tom Dodson and Associates, has provided a review of the County's initial study and Negative Declaration issued for this CUP. Mr. Dodson's analysis has indicated that the

County's initial study and Negative Declaration are adequate for the Commission's use as a CEQA responsible agency. The Commission will not be adopting alternatives or mitigation measures for this development, as these are the responsibility of the County and are considered self-mitigating through implementation of the Conditions of Approval. Attachment #4 provides a copy of Mr. Dodson's response and recommendation regarding the Commission's review and necessary actions to be taken.

KRM:

Attachments:

1. Vicinity Map and Map Showing Location of Infrastructure
2. City Application and Irrevocable Agreement to Annex
3. County Conditions of Approval for CUP
4. Tom Dodson and Associates Response and County's Environmental Analysis of CUP
5. Draft Resolution #2800